



**CITY OF MORGAN HILL  
MORGAN HILL REDEVELOPMENT AGENCY**

**COUNCIL CHAMBERS**

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

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**CITY COUNCIL**

Dennis Kennedy, Mayor  
Hedy L. Chang, Mayor Pro Tempore  
Cynthia J. Cook, Council Member  
Steve Tate, Council Member  
Greg Sellers, Council Member

**REDEVELOPMENT AGENCY**

Dennis Kennedy, Chairperson  
Cynthia J. Cook, Vice-Chairperson  
Hedy L. Chang, Agency Member  
Steve Tate, Agency Member  
Greg Sellers, Agency Member

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**AGENDA**

**CITY COUNCIL SPECIAL & REGULAR MEETING**

**AND**

**REDEVELOPMENT AGENCY SPECIAL MEETING**

**WEDNESDAY, APRIL 21, 1999**

**5:00 P.M.**

**SPECIAL CLOSED MEETING**

**CLOSED SESSION:**

CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION:

Legal Authority:	Government Code Section 54956.9(C)
Number of Potential Cases:	One
Closed Session Topic:	Authorization to initiate litigation.

**7:00 P.M.**

**JOINT CITY COUNCIL & RDA MEETING**

**CALL TO ORDER**

( Mayor/Chairperson Kennedy)

**ROLL CALL ATTENDANCE**

(Deputy City Clerk/Deputy Agency Secretary Hall)

**DECLARATION OF POSTING OF AGENDA**

Per Government Code 54954.2  
(Deputy City Clerk/Deputy Agency Secretary Hall)

**SILENT INVOCATION**

**PUBLIC SERVICE ANNOUNCEMENT**

Eric Hilding

**PLEDGE OF ALLEGIANCE**

**CERTIFICATES OF RECOGNITION**

**PROCLAMATION**

*Cinco de Mayo*  
Lori Escobar

**CITY COUNCIL REPORT**

Council Member /Agency Member Tate

**CITY MANAGER'S REPORT**

*Year 2000 Compliance Project Status*

**NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.**

(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA.**

(See notice attached to the end of this agenda.)

*City Council action*

**SECOND READING OF ORDINANCE:** Full reading waived by majority vote. (Government Code Section 36934)

**Action -- Adopt** Ordinance by roll call vote.

**Page**

**1 ..... 1. SECOND READING AND ADOPTION OF ORDINANCE NO. 1426, NEW SERIES**

An Ordinance of the City Council of the City of Morgan Hill amending the Community Development Plan for the Ojo de Agua Community Development Project pursuant to Health and Safety Code Section 33333.6 and amending related Ordinances in connection therewith.

**9 ..... 2. SECOND READING AND ADOPTION OF ORDINANCE NO. 1427, NEW SERIES**

An Ordinance of the City Council of the City of Morgan Hill rezoning 16.275 acres on the north side of Half Road, adjacent to the south side of St. Louise hospital from County Agricultural to PUD, Planned Unit Development, for the development of elderly care facilities. The northerly 10 acres of the site will be developed as a 300-unit (600 person max.) skilled nursing facility. The southerly 6 acres will be limited to other types of elderly care (APNs 728-30-003 & 004).

**49 ..... 3. SECOND READING AND ADOPTION OF ORDINANCE NO. 1428, NEW SERIES**

An Ordinance of the City Council of the City of Morgan Hill approving an amendment to the R-1 (7000/RPD), Residential Planned Development zoning district, on 3.5 acres located at the terminus of Christine Lynn Drive between Hale Avenue and Del Monte Avenue. The amendment includes the adoption of a precise development plan for thirteen Measure P single-family units plus four replacement units (APN 764-20-072).

**CONSENT CALENDAR:**

The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

<i>City Council action</i>	<i>Page</i>
4. <b><u>MARCH FINANCE AND INVESTMENT REPORT</u></b> <b><u>Recommended Action:</u></b> <u>Accept and file</u> report.	..... 63
5. <b><u>AWARD OF CONTRACT FOR CONSTRUCTION OF THE MADRONE AVENUE UNDERPASS SEISMIC RETROFIT PROJECT IN THE AMOUNT OF \$16,215</u></b> <b><u>Recommended Action:</u></b> 1) <u>Appropriate</u> \$24,618 from our unappropriated Street Fund balance to Project No. 514093 and 2) <u>award</u> contract to Cunningham & Sons for the construction of the Madrone Avenue Underpass Seismic Retrofit Project in the amount of \$16,215.	..... 91
6. <b><u>DECLARE NUCLEAR COMPACTION TEST GAUGE AS SURPLUS</u></b> <b><u>Recommended Action:</u></b> <u>Authorize</u> the City Manager to dispose of the nuclear compaction gauge as surplus.	..... 93
7. <b><u>ACCEPTANCE OF PUBLIC IMPROVEMENTS FOR TRACT 9003</u></b> <b><u>Recommended Action:</u></b> 1) <u>Adopt</u> the attached Resolution accepting the subdivision improvements for Tract 9003, commonly knows as Barrett - Rosehaven Ph. II and 2) <u>direct</u> the City Clerk to file a Notice of Completion with the County Recorder's office.	..... 95
8. <b><u>APPROVE THE FREEWAY MAINTENANCE AGREEMENT BETWEEN THE CITY OF MORGAN HILL AND THE STATE OF CALIFORNIA FOR THE EAST DUNNE/101 INTERCHANGE IMPROVEMENTS</u></b> <b><u>Recommended Action:</u></b> 1) <u>Approve</u> the attached freeway maintenance agreement (Exhibit 1) between the City of Morgan Hill and the State of California for the East Dunne Avenue and State Highway Route 101 interchange improvements and 2) <u>adopt</u> attached Resolution approving the freeway maintenance agreement between the City of Morgan Hill and the State of California.	..... 101
9. <b><u>ANNUAL ADJUSTMENT TO SOLID WASTE RATES</u></b> <b><u>Recommended Action:</u></b> <u>Direct</u> staff to process the rate adjustment request.	..... 113
10. <b><u>FINAL MAP ACCEPTANCE FOR KENDAL WOOD PHASE III (TRACT 9109)</u></b> <b><u>Recommended Action:</u></b> 1) <u>Approve</u> the final map and improvement plans, 2) <u>authorize</u> the City Manager to sign the Subdivision Improvement Agreement on behalf of the City and 3) <u>authorize</u> the recordation of the map and the Subdivision Improvement Agreement following recordation of the Development Improvement Agreement.	..... 115

***Redevelopment Agency action***

	<i>Page</i>
11. <b><u>AGREEMENT FOR ENVIRONMENTAL SERVICES RELATED TO THE MORGAN HILL SCHOOL SITE</u></b> <b><u>Recommended Action:</u></b> 1) <u>Authorize</u> the Executive Director to enter into a revised agreement for environmental services with the firm of David Powers and Associates and 2) <u>appropriate</u> \$25,800 from the Agency 317 fund balance to Account Number 317-86240-8055 to cover the additional cost for this report.	..... 127

131 . . . . 12. **APPROVAL OF SPECIAL MEETING ACTION MINUTES OF MARCH 26, 1999**

**OTHER BUSINESS:**

*City & Redevelopment Agency action*

**Page**

135 . . . . 13. **APPROVAL OF SPECIAL JOINT MEETING MINUTES OF MARCH 24, 1999**

*City Council action*

- 151 . . . . 14. **REQUEST TO ADOPT A RESOLUTION OF THE CITY OF MORGAN HILL RESPONDING TO WRITTEN OBJECTIONS TO THE PROPOSED AMENDMENT TO THE COMMUNITY DEVELOPMENT PLAN FOR THE OJO DE AGUA COMMUNITY DEVELOPMENT PROJECT**  
**Recommended Action:** Adopt a Resolution of the City of Morgan Hill adopting written findings in response to written objections to the proposed Amendment to the Community Development Plan for the Ojo de Agua Community Development Project

*Redevelopment Agency action*

- 175 . . . . 15. **REQUEST TO ADOPT A RESOLUTION OF THE MORGAN HILL REDEVELOPMENT AGENCY CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR AN AMENDMENT TO THE COMMUNITY DEVELOPMENT PLAN FOR THE OJO DE AGUA COMMUNITY DEVELOPMENT PROJECT, MAKING FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, APPROVING SUCH AMENDMENT AND MAKING FINDINGS IN CONNECTION WITH SUCH AMENDMENT**  
**Recommended Action:** Adopt a Resolution of the Morgan Hill Redevelopment Agency: 1) **certifying** the Final Environmental Impact Report for an Amendment to the 1981 Ojo de Agua Community Development Plan, 2) **approving** the Final Plan Amendment for the 1981 Ojo de Agua Community Development Plan, and 3) **making** findings in connection with the Final Plan Amendment (Attachment 1).

*City Council action*

- 219 . . . . 16. **REQUEST TO ADOPT A RESOLUTION OF THE CITY OF MORGAN HILL MAKING FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT FOR AN AMENDMENT TO THE COMMUNITY DEVELOPMENT PLAN FOR THE OJO DE AGUA COMMUNITY DEVELOPMENT PROJECT, AND APPROVING THE FINAL AMENDMENT AND MAKING A DETERMINATION AND AN ELECTION IN CONNECTION WITH SUCH AMENDMENT, AND INTRODUCING FOR FIRST READING AN ORDINANCE ADOPTING THE FINAL PLAN AMENDMENT**  
**Recommended Action:** 1) **Adopt** a Resolution of the City Council of the City of Morgan Hill making findings pursuant to the California Environment Quality Act ("CEQA") for an Amendment to the Community Development Plan for the Ojo de Agua Community Development Project (the Amendment) and approving the Final Amendment, and making a determination and an election of the City to receive Statutory "Pass Through" Funds; and 2) **waive** the reading in full of an Ordinance approving and adopting the Amendment; and 3) **introduce** the Ordinance on first reading.

	<b>Page</b>
17. <b><u>BANKING SERVICES PROPOSALS</u></b>	..... 269
<b><u>Recommended Action:</u></b> 1) <b><u>Award</u></b> banking services contract to South Valley National Bank, 2) <b><u>authorize</u></b> the City Manager to contract with South Valley National Bank for banking services for three years with an option to renew for three additional years, and 3) <b><u>modify</u></b> the City's Investment Policy to allow the Dreyfus Treasury Cash Management Fund as a sweep instrument.	
18. <b><u>RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (MEASURE P) SECOND YEAR PHASING REQUESTS</u></b>	..... 271
<b><u>Recommended Action:</u></b> <b><u>Adopt</u></b> Resolution of approval for Fiscal Year 2001-2002 Open/Market Rate Projects.	

**LEGALLY NOTICED PUBLIC HEARINGS:**

*City Council action*

19. <b><u>DEVELOPMENT AGREEMENT AMENDMENT APPLICATION DAA 97-12: WATSONVILLE - SYNCON HOMES (FORMERLY OLD ORCHARD BUILDERS): REQUEST FOR EXCEPTION TO LOSS OF BUILDING ALLOCATION</u></b>	..... 293
Public Hearing opened. Please limit your remarks to 3 minutes. Public Hearing closed. Council discussion. Action - <u>Motion to waive</u> the reading in full of the Ordinance approving the exception to loss of building allocation; <u>Motion to introduce</u> Ordinance by title only.	
20. <b><u>PUBLIC HEARING FOR EXEMPTION TO UNDERGROUND OVERHEAD UTILITIES - 18980 MONTEREY ROAD, NOAH'S ARK PRE-SCHOOL AND DAY CARE</u></b>	..... 307
<b><u>Recommended Action:</u></b> Request staff presentation. Public Hearing opened. Please limit your remarks to 3 minutes. Public Hearing closed. Council discussion. Action - <u>Motion to make a finding</u> that installation on such a small scale would be uneconomical and that said improvement can hereafter be installed more economically and efficiently as a portion of a larger project. Action - <u>Motion to grant</u> exemption to the requirement to underground overhead utilities with payment in lieu of the proposed improvements at 18980 Monterey Road for the Noah's Ark Pre-School and Day Care.	
21. <b><u>MEASURE P APPEAL APPLICATIONS AP-99-01: MALAGUERRA-ANSUINI AND AP-99-02: EAST DUNNE - O'CONNELL</u></b>	..... 309
<b><u>Recommended Action:</u></b> Request staff presentation. Public Hearing opened. Please limit your remarks to 3 minutes. Public Hearing closed. Council discussion. Action - <u>Motion to deny</u> appeals and adopt attached Resolution with findings. If one or both of the appeals are granted, Action - <u>Motion to direct</u> staff to modify allotment evaluation and final distribution of the building allotment.	

**OTHER BUSINESS:**

***City Council action***

**Page**

**407 . . . . 22. CITY COUNCIL/CITY MANAGER LEADERSHIP TEAM WORKSHOP**

**Recommended Action:** 1) **Commit** as a City Council to attending the City Council/City Manager Leadership Workshop June 2-4, 1999 in Bass Lake and 2) **cancel** the June 2, 1999 City Council meeting.

**413 . . . . 23. APPROVAL OF REGULAR/SPECIAL MEETING MINUTES OF APRIL 7, 1999**

**FUTURE COUNCIL-INITIATED AGENDA ITEMS:**

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

**ADJOURNMENT**

**FUTURE CITY COUNCIL AGENDA ITEMS:**

1. Report on Calpine -- Request for Appointment of Ad Hoc Committee
2. Update on Status of Housing Program
3. Surplus Computers



## **CITY OF MORGAN HILL**

**17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037**

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### **PUBLIC COMMENTS ON ITEMS *NOT* APPEARING ON AGENDA**

Following the opening of Council/Agency business, the public may present comments on items *NOT* appearing on the agenda that are within the Council's/Agency's jurisdiction. Should your comments require Council/Agency action, your request will be placed on the next appropriate agenda. No Council/Agency discussion or action may be taken until your item appears on a future agenda. You may contact the City Clerk/Agency Secretary for specific time and dates. This procedure is in compliance with the California Public Meeting Law (Brown Act) G.C. 54950.5. Please limit your presentation to three (3) minutes.

### **PUBLIC COMMENTS ON ITEMS APPEARING ON AGENDA**

The Morgan Hill City Council/Redevelopment Agency welcomes comments from all individuals on any agenda item being considered by the City Council/Redevelopment Agency. Please complete a Speaker Card and present it to the City Clerk/Agency Secretary. This will assist the Council Members/Agency Members in hearing your comments at the appropriate time. Speaker cards are available on the table in the foyer of the Council Chambers. In accordance with Government Code 54953.3 it is not a requirement to fill out a speaker card in order to speak to the Council/Agency. However, it is very helpful to the Council/Agency if speaker cards are submitted. As your name is called by the Mayor/Chairperson, please walk to the podium and speak directly into the microphone. Clearly state your name and address and then proceed to comment on the agenda item. In the interest of brevity and timeliness and to ensure the participation of all those desiring an opportunity to speak, comments presented to the City Council/Redevelopment Agency are limited to three minutes. We appreciate your cooperation.

### **NOTICE**

#### **AMERICANS WITH DISABILITIES ACT (ADA)**

The City of Morgan Hill complies with the Americans with Disabilities Act (ADA) and will provide reasonable accommodation to individuals with disabilities to ensure equal access to all facilities, programs and services offered by the City.

If assistance is needed regarding any item appearing on the City Council/Redevelopment Agency agenda, please contact the Office of the City Clerk at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation.

### **NOTICE**

Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the City Council/Redevelopment Agency at, or prior to the Public Hearing on these matters.

### **NOTICE**

The time within which judicial review must be sought of the action by the City Council/Redevelopment Agency which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.